

FREQUENTLY ASKED QUESTIONS

The following are the Natural Resources Agency's responses to frequently asked questions about the Environmental Enhancement and Mitigation Program (EEMP).

- **What types of transportation projects are considered "Related Transportation Facilities" (RTF)?**

The Related Transportation Facility (i.e., a public street, highway, mass transit guideway or their appurtenant features) must be:

- projects where modifying construction or new construction began after January 1, 1990;
- projects that are not yet under construction but are included in an adopted state transportation program or in a locally adopted and certified capital outlay program.

The RTF may be a local, state or federal project.

- **Can the RTF be a light rail or high speed rail line or station? How about an airport?**

Yes.

- **Which category is appropriate for applications that plant trees and natives species along rail lines or around stations?**

The HLUF category is appropriate for plantings along roads, rail lines and airports as well as their affiliated stations. As with road projects, however, rights of ways must be respected and coordinated with construction of the RTF.

- **Can a bike path be the RTF?**

No. Bike trails are not considered "related transportation facilities" because they are intended to get people to use alternate transportation, rather than that fueled by petroleum based products.

But bike trails *are* eligible EEMP projects under the category of Roadside Recreation, provided all other relevant requirements are met.

- **How can I find out if a transportation project is in an adopted state transportation program or a local capital outlay program?**

This information can be obtained by contacting your local Caltrans district office, regional transportation agency, or local government.

- **What other criteria must the RTF meet?**

Only those transportation facility projects that result in *adverse* environmental impacts will qualify for purposes of this grant program.

In general, projects that are strictly replacement construction or maintenance would not qualify, while projects which involve a significant change in the capacity or configuration (i.e., change in the physical lay-out of the facility) would. For example, pavement resurfacing, repainting a bridge or a replanting project would not under most circumstances have an adverse environmental impact and would be considered maintenance. Additionally, a project such as constructing a sound barrier, which in itself mitigates an environmental impact, would not qualify.

In contrast, widening a highway, constructing a frontage road, or realigning a curve probably would have an adverse environmental impact and might qualify.

- **What if there were late occurring or cumulative impacts from the RTF that were not identified during CEQA?**

There could be an instance where the RTF received a negative declaration or categorical exemption, and is not required to provide CEQA mitigation, but is still eligible under this program. In this situation it is up to the applicant to make the case. The RTF contained in each proposal will be evaluated on a case-by-case basis.

- **Can I apply in a subsequent fiscal year for funding to undertake an EEMP project related to a transportation project that was initiated after January 1, 1990 but completed prior to submitting my proposal?**

Yes, as long as there were adverse environmental impacts from the RTF.

- **Can I apply for funding this grant cycle to undertake an EEMP project related to a RTF that will not begin construction until a future fiscal year?**

Yes, as long as there were adverse environmental impacts from the RTF. This means that CEQA review for the RTF must *have been completed before the grant application is submitted*

Note that if the RTF is not yet under construction, your proposal will not be as competitive as projects related to completed transportation projects. And, if for some reason, a transportation project is shelved, grant funding will not be provided as limited grant monies will have been unnecessarily withheld from other worthwhile projects.

- **Is mitigation *required* for the RTF under CEQA, eligible for funding through EEMP?**

Yes. EEMP will fund mitigation projects required by CEQA and mitigation projects not required by CEQA, as long as the EEMP project mitigates for the impacts of the RTF.

However, applications in the **Mitigation Projects (MP)** category must also demonstrate that the ability to effectuate the mitigation is beyond the scope of the lead agency responsible for the RTF.

- **What information do I need to provide concerning the mitigation required under CEQA for the Related Transportation Facility?**

In order to establish that the proposed EEMP project will mitigate adverse effects of the RTF, the Resources Agency requires a concise but complete description of the RTF's environmental impact, and the mitigation required under CEQA.

You will need to submit a statement from the Lead Agency regarding the status of the environmental review for the RTF, including a concise description of the mitigation requirements, along with a copy of the CEQA documents, such as the Notice of Determination. (Excerpts and summaries from Environmental Impact Reports are sufficient.)

- **What is meant by enhancement or mitigation projects that are "indirectly" related to transportation projects?**

Environmental Enhancement and Mitigation Program projects must be directly or indirectly related to the environmental impact of modifying existing transportation facilities, or to the construction of new transportation facilities.

- "Indirectly," as opposed to "directly," may be used in reference to the geographic location of an EEMP project; that is, the project may not be in the immediate vicinity of the transportation project but in the general area. For instance, if there is no available land for park use adjacent to the new highway, but there is a suitable parcel in the general area that would allow for increasing the size of a park, this could be acceptable if it can be related to the adverse impacts of the transportation project.
- "Indirectly" may also be used to characterize the type of benefits produced. For instance, a park project is only indirectly related to the adverse impacts of adding an HOV lane. However, it mitigates the impacts of the highway by providing an open, tranquil natural setting for recreational users, many of which are also users of the highway. Scenic overviews and recreational trails often have indirect relationships to the adverse impacts of transportation projects, but they are still encouraged.

It is the responsibility of the applicant to explain the cause and effect relationship between the impact of the transportation project and the proposed environmental project.

- **What kinds of EEMP projects are eligible under the new Mitigation Projects (MP) category?**

The guidelines do not specify a particular type of mitigation project, as long as the applicant demonstrates the project mitigates the impacts of the RTF and that it is beyond the scope of the Lead Agency to effectuate. However, the EEMP project would be expected to preserve, restore or improve habitat, create or improve recreational facilities, and create or improve vegetation (especially trees) in order to be competitive.

- **Does a roadside recreational project have to be adjacent to the roadway?**

Yes, but there may be exceptions.

For instance, if there is no available land for park use adjacent to the new highway, but there is a suitable parcel in the general area that would allow for increasing the size of a park, this could be acceptable if it can be related to the adverse impacts of the transportation project.

However, of projects with relatively equal mitigation impacts, projects closer to the impact of the Related Transportation Facilities will be given a higher priority for funding.

- **Will the program fund tree removal and replacement?**

Yes, tree removal can be funded if necessary to the design of the project. But, a project that simply proposes to replace trees removed by the transportation or the environmental project on a one for one basis is not likely to receive as high an evaluation relative to other projects that propose to increase the overall number of trees.

- **Are palm trees eligible for funding?**

Generally not, because palm trees contribute very little to the uptake of carbon dioxide relative to other varieties of trees. Projects consisting predominantly of palm trees are not likely to score well in certain technical criteria relative to projects proposing other tree varieties.

- **Can projects be proposed for more than one program category?**

No. Only one category may be selected for each proposed project. However, all projects are evaluated and given up to five points credit under the "Other Benefits" criteria for benefits associated with other project categories.

- **Will the program fund projects that result in plans or handbooks, e.g. GIS mapping projects, bike lane plan development, best type of trees to plant in specified locations, and etc.?**

No. EEMP is intended to pay for actual, on-the-ground projects that preserve, restore or improve habitat, create or improve recreational facilities, create or improve vegetation (especially trees) in specified locations, etc. Planning expenses for the EEMP project, however, may be eligible costs within the grant.

- **What kind of EEMP projects are consistent with California's greenhouse gas reduction goals or climate adaptation strategy?**

EEMP projects that achieve multiple benefits by reducing pollution or the consumption of natural resources and energy. For example:

- Recreational trail projects can be designed proximate to schools, businesses and local services and therefore serve as an alternative transportation corridor. By reducing the vehicle miles traveled (VMT) the project would help address the state's goals of greenhouse gas (GHG) emissions reduction.
- Restoration projects can increase water reliability and supply by incorporating design elements that promote ground water recharge, such as surface spreading, rain meadows, catch basins, bioswales, etc.
- Acquisitions can target resource lands with multiple benefits, such as wetlands – which increase surface and groundwater supply, improve water quality through filtration, and expand the flood plain to help manage storm water.
- **Are authorizing resolutions and statements describing the organization's authority to carry out the proposed project required of all applicants?**

Yes. All local government agencies and nonprofit organizations are required to submit authorizing resolutions and assurances.

- **How does the requirement for a signed statement from the Lead Agency for the Related Transportation Facility apply if the Lead Agency is a local government entity?**

A statement from the Lead Agency for the RTF is required from all applicants, using the form letter provided in the Application Packet, even if the grant applicant is the same entity as the transportation lead entity.

- **Are letters of support necessary?**

Letters of support may be submitted but are not a critical factor in the evaluation. However, if endorsements are submitted, they should be included with the grant application. *Please do not send in separately.*

- **Last year, we submitted an application but did not receive funding. We have improved our proposal and would like to resubmit it this cycle. What do we need to do?**

The proposal may be resubmitted as a new application and will compete with applications received in the current grant cycle. The proposal must be fully updated, including project information, application form, and resolution. The same RTF can be used to qualify the grant project, so long as all other eligibility requirements are met.

- **If environmental review (CEQA) is required for the EEMP project, when does the review process need to be completed?**

When you submit your proposal to the Resources Agency, you will need to indicate on the application form the type and status of environmental clearance for the proposed grant project. The Resources Agency expects to review all project proposals in the fall, and submit a list of

recommended eligible projects to the California Transportation Commission for consideration in January. The Commission will issue a final list of approved projects in March. Before the Commission considers these projects, environmental review (CEQA) must have been completed. This means that the environmental review process must be completed and all final environmental documents, including categorical exemptions, submitted to the Commission in advance (**no later than February 2012**) of the Commission's final awards in March. (See California Environmental Quality Act, especially the Public Resources Code, Section 21150).

- **What are acceptable sources and required amounts for matching funds?**

A cash funding match is not required in this program. However, projects are evaluated and given credit for other sources of cash contributions that are included in project cost estimates and budgets. In-kind/volunteer services and donated materials are given credit under the Other Benefits and Community Support evaluation criteria and are viewed favorably as demonstration of local support for the project.

If other sources of cash provide some funding for the proposed project, any source is acceptable - local, state or federal government, other grants, and/or public or private funding. Such contributions would have the effect of increasing the environmental benefit to be obtained from the expenditure of state grant funds by increasing the total number of projects that can be funded from a limited appropriation. Additionally, funds from local sources would demonstrate the strength of local support and commitment. Funding for the RTF is not considered a source of funding for the environmental project.

- **What is meant by "in-kind" and/or "volunteer" services?**

These terms include services needed and provided for the project without charge to the applicant or state. In-kind services include work performed by the applicant's organization but not claimed for reimbursement as part of the program grant. Volunteer services are those provided by individuals outside the applicant's organization.

- **What does it mean that EEMP is a "reimbursement" program?**

Payments will be made on a reimbursement basis. The grantee pays for services, products or supplies, then the Grantee submits invoices and proof of payment to the State, and then the Grantee is then reimbursed by the State. All costs submitted for reimbursement must be supported by appropriate invoices, purchase orders, canceled warrants, and other documentation.

- **Are overhead rates or indirect costs eligible for reimbursement?**

No. Only *direct* project-related costs are eligible for funding, therefore *overhead* is **not** eligible for reimbursement.

(Overhead means expenses of doing business of a general nature which are incurred to benefit at least two or more functions within an organization. These costs are not usually identified

specifically with a grant, Grant Agreement, Project or activity, but are necessary for the general operation of the organization. Examples of overhead costs include salaries and benefits of employees not directly assigned to a project; functions such as personnel, business services, information technology, janitorial, and salaries of supervisors and managers; and rent, utilities, supplies, etc. These costs are NOT eligible for reimbursement with grant funds, but may be used to show applicant's portion of costs.)

All eligible project costs must be supported by appropriate documentation in order to be reimbursed..

- **Will EEMP reimburse 100% of the project costs?**

Yes – IF that is what you requested in your grant application AND you were awarded the full amount by the CTC.

If you indicated a match on your cost estimate (indicating that the EEMP grant will fund a percentage of the project) this percentage will be used later to calculate reimbursements to the grantee. Therefore it is important to realistically assess the scope of the project and the reliability of other funding sources before including them in the project Cost Estimate.

- **For acquisitions, if my seller is unable to complete the sale, can we substitute another parcel for the one specified in the application?**

No. Funds are awarded based on your grant proposal. Therefore, once funds are awarded and an agreement is signed with Caltrans, another property cannot be substituted for the property specified in the application. That's why it is imperative you provide a willing seller letter demonstrating the seller is negotiating in good faith, and that discussions have proceeded to a point of confidence.

- **If we have already completed planning activities or portions of the project, can we request reimbursement for those expenditures once we are awarded funding?**

No. Only project-related costs *incurred during the project performance period* specified in the grant agreement are eligible for reimbursement. Costs incurred outside of the project performance period will not be reimbursed.

- **When can work begin on an approved EEMP project?**

Work can start *after* Caltrans and the applicant sign an Agreement. This is the third requirement in a three-step process:

- California Transportation Commission (CTC) votes to adopt the annual program including concept approval of selected projects from the Natural Resources Agency's list of recommendations;
- CTC votes to allocate grant funds for each approved project (usually concurrent with Step 1); and
- Caltrans executes an Agreement between the Applicant and the State.

- **If we run into delays, how long can we postpone initiating construction without losing our grant?**

In order for a project to remain eligible for funding, all three steps outlined above must have occurred AND Caltrans must receive invoices prior to April 30 of the 2nd fiscal year following CTC adoption. For the FY 2011-12 cycle that date is April 30, 2013.

If the applicant submits no invoices within one year of the signed agreement, the applicant must submit an official statement of project progress to Caltrans that provides solid assurances that the project will be completed prior to April 30, 2015. Solid assurance includes but is not limited to: project advertisement or firm advertisement schedule, entry into escrow for acquisitions, date project plans will be completed; date of receipt from a specified entity of other needed funding for the project, etc.

- **How much time is allowed to expend all grant funds?**

Generally, projects have four years in which to expend their funds. The clock starts when the governor signs the budget. Typically, EEMP Agreements would not be in place until late spring of the following year. All eligible reimbursable costs must occur after the Agreement is in place. The project's final invoice must be submitted by April 30 of 2015 to ensure full reimbursement. Invoices submitted after April 30 may be at risk for payment.